

Wednesday, December 19, 2001

BEFORE THE FEDERAL COMMUNICATIONS COMMISSION

FEDERAL-STATE JOINT BOARD ON
UNIVERSAL SERVICE SEEKS COMMENT
ON REVIEW OF LIFELINE AND LINK-UP
SERVICE FOR ALL LOW-INCOME
CONSUMERS

CC Docket No. 96-45

Comments of the Oklahoma Corporation Commission

Comes now the Oklahoma Corporation Commission and in response to the Public Notice released October 12, 2001, in the above styled docket, provides the following comments for consideration.

A. The Effectiveness of the Current Lifeline/Linkup Program

(1) Beginning October 1, 2000, eligibility for the federal Lifeline and Linkup assistance was expanded to permit low-income individuals living on tribal lands to receive additional federal Lifeline assistance. As a result, based upon the data filed by all Oklahoma ILECs with USAC, the following changes were noticed in Oklahoma:

(a) In 2001, Oklahoma had enrolled 10,000 **Tribal land** Customers out of the 17, 000 national total Tribal land Subscribers enrolled in the Enhanced Lifeline Program (**59% of the total national tribal land subscribers were from Oklahoma**),

(b) Publicity of the Enhanced Lifeline Program in Oklahoma **increased the total Lifeline Program Subscribers by 4 times in October 2000 (from 3,700 to 17,000)**,

(c) The Total Number of Oklahoma lifeline assistance subscribers **as of September 2001 was 54,348 including 23,323 tribal land subscribers**.

(2) Based on the information received by OCC Staff from the Oklahoma Department of Human Service (DHS), for the fiscal year ending June 2001, Oklahoma had the following number of customers receiving assistance from these identified programs:

Number of Eligible Customers:	
• Food Stamps:	111,603
• Medicaid:	268,410
• Temporary Assistance to Needy Families:	14,051
• State Supplemental Security Income)	70,647

These numbers may contain duplication-e.g., the number of persons eligible for food stamps may contain someone who is also eligible for any other program listed above at the same time. Also, more than one person in the same family may be qualified for these programs, thereby causing a duplication of the households eligible for Lifeline assistance.

(3) Based on information published by the state of Oklahoma under “Oklahoma Facts”, the following information is known regarding the number of American Indians living within Oklahoma:

(a) Oklahoma has the largest American Indian Population within the United States- 252,420 American Indians living in Oklahoma are descendants from the original 67 tribes inhabiting Indian Territory.

(b) According to 1990 U.S. census data, Oklahoma’s population was 3,258,000; of those 8% were American Indians.

B. Modifying the Existing Lifeline/Link-Up Rules

The following comments are based on the responses received from all of the Oklahoma ILECs, and some state agencies:

(1) Eligibility Criteria

(a) Should the current federal eligibility criteria be expanded, reduced, or left alone?

Most companies indicated that the current federal eligibility criteria should be 'left alone', however, one company stated that the Commodities Program should be added. The Commodities Program is the federal counterpart of the Oklahoma Food Stamps program.

(b) Does Oklahoma have a state program that is particularly effective in determining eligibility?

The existing State Lifeline Program requires the subscribers to re-certify with the proper documentation on an annual basis. However, the eligible programs are being administered by various agencies. As a result, self-certification may be the most practical approach. For example, DHS who administers Food Stamp Program cannot verify the eligibility of a customer based on State Sales Tax Relief, which is administered by the Oklahoma Tax Commission.

(c) How would modifications to the federal eligibility criteria affect the eligible consumers in Oklahoma?

Currently, based on the existing criteria, Oklahoma is one of the greatest beneficiaries of the Enhanced Lifeline/Link-Up program. Efforts to curb the eligibility can potentially harm the consumers in Oklahoma.

(d) What are the current state eligibility criteria in Oklahoma? Should states be required to adopt the federal criteria as the bare minimum or should the FCC mandate a national standard?

At present the Oklahoma eligibility criteria does not provide for eligibility based upon federal public housing assistance or Low-Income Home Energy Assistance Program, but the other criteria are consistent with the eligibility criteria established by 47 CFR § 54.409, prior to the criteria for Enhanced Lifeline support being adopted effective October 2000. Also, the Oklahoma Corporation Commission plans to initiate a rulemaking to consider revising the existing state rules to make them consistent with the FCC rules for the Enhanced Lifeline Program. The companies believe a National Standard should be adopted by the states.

(e) Should the federal eligibility criteria be changed to include those eligible for low-income assistance programs as opposed to those participating in low-income assistance programs?

Since the Lifeline Program is intended to assist low income based customers, it may be unfair to only allow those customers actually participating in low-income programs to be eligible for Lifeline. As a result, the existing criteria for those who participate in low-income assistance programs should not be changed, but it may be beneficial to permit low income customers who do not participate in one of the identified programs, but who can otherwise document their low income status, to receive Lifeline and Linkup assistance.

(f) Should Lifeline enrollment be guaranteed for a specified period or should a recipient be dropped immediately when they no longer meet the federal eligibility criteria?

The recipient should be dropped immediately when they no longer meet the eligibility criteria. This will ensure that the system is not abused. Criteria need to be established for the length of time a customer may receive Lifeline assistance, based upon eligibility for a program that only provides the customer a financial benefit once or twice a year.

(g) Should income level be added to the existing eligibility criteria? Would eligibility based solely on income level reach more or fewer consumers than the current eligibility criteria? What would be the appropriate income level?

Yes, the income level can be added to the existing criteria. The companies do not know the ratio of customers participating in a low-income program versus low-income customers not participating. Federal or State poverty

guidelines can be used to establish the income level which is used as the benchmark for eligibility.

(h) How would a customer qualify based on their income?

If the State Statute permits, customers could have the appropriate agency (DHS, BIA, or other agency) verify that they are financially eligible to receive benefits from the designated low-income programs. Customers could also provide one or two years of tax returns to demonstrate their financial status.

(2) Application Verification

(a) Does the current federal application/certification process work?

Yes.

(b) How could eligibility be certified or verified?

Customers could annually have the appropriate agency (DHS, BIA, or other agency) verify they are eligible for participation in the low-income programs.

(c) Should eligibility be verified? If so, how?

Yes, the eligibility should be verified, to prevent abuse of the program. Eligible customers could have the appropriate agency validate their participation or eligibility on a card or certificate, which is similar to the certification provided for the original Lifeline program.

(d) Does Oklahoma have any best practices in their program? What has been the frequency and magnitude of fraud in the Oklahoma program?

Due to self-certification, the companies do not have any statistical information on the magnitude of fraud, if any, in the Oklahoma program. However, the Oklahoma State program requires the subscribers to re-certify annually.

(e) Would automatic enrollment and verification methods improve the efficiency of the program?

Not necessarily, if this means that once a customer participates in an eligible program, the agency informs the local telephone company that the customer is eligible for Lifeline. This may cause some confusion for both customers and the telephone companies. For example, if a person signs up for an eligible program at the local DHS office and the DHS office serves an area that is served by many ILECs, DHS would not know where to send the notice. Further, the telephone company requires specific information from

the customer that the agency may not require; i.e. street address, instead of a P.O. Box address.

C. Outreach.

(1) What are the barriers that prevent customers from participating in the current program?

- **Stigmatism associated with applying for, and participating in low-income programs may prevent some otherwise eligible customers from obtaining Lifeline assistance.**
- **Some people do not read the insert mailed by various agencies notifying them of the availability of the Lifeline and Linkup programs.**
- **If the eligible consumers are not on the carrier's mailing list the customer cannot be reached by traditional mailed out information.**

(2) What improvements have been made to Oklahoma's Program that has helped the customer?

- **The availability of the new federal Enhanced Lifeline assistance, which gives additional benefits to low-income individuals living on tribal land, has made sufficient Lifeline assistance available in the majority of Oklahoma's 77 counties, to permit low income customers who previously could not afford a phone based upon the prior level of available assistance, to now receive phone service for \$1.00 per month.**
- **The Self-Certification process.**
- **The Oklahoma Department of Human Service sent 400,000 notices to the potentially eligible consumers explaining the availability and eligibility of the program.**

(3) Are there any credit and collection procedures that have increased subscribership?

According to the ILECs who responded, there has been no increase in the subscribership to Lifeline as the result of collection and credit procedures.

(4) Can subscribership be increased through consumer education and outreach? Are the procedures now used in Oklahoma sufficient?

Yes. The ILECs advertise the availability of Lifeline in their respective exchanges. Public Service Announcements are being considered to advertise

the availability of the Programs, and notify eligible customers to contact their local telephone company for more information.

(5) Are there any best outreach practices in Oklahoma? Do existing web sites provide the right kind and amount of information on these programs?

Yes, however, since the objective is to reach customers not currently on the public-switched network, the targeted customers probably do not have access to the Internet.

Respectfully submitted,

/s/ David B. Dykeman
David B. Dykeman, OBA #11819
Assistant General Counsel
Oklahoma Corporation Commission
Post Office Box 52000
Oklahoma City, Oklahoma 73152-2000